

22. **Advertising Availabilities.** Offsetting the license fees that Continental might eventually pay a programmer are opportunities for advertising revenue. Advertiser-supported cable networks typically make 2-3 minutes per hour of advertising time available for local insertion. This enables a cable operator to sell time to local advertisers. When Continental considers a launch, it considers not merely the current advertising availabilities this year, but the revenues which may be expected from local availabilities over time.

23. **Ratings.** Local advertising availabilities only matter if there is an audience. Continental evaluates customer demand for proposed channels, and what their projected audience ratings will be. The judgment Continental makes about the likely appeal of a channel is the very essence of its editorial decision-making. Continental evaluates the markets within which it is operating and projects forward in time to judge likely ratings (and thus likely "value") over time.

24. **Demographics.** The "type" of audience attracted is also important. It is possible that a new channel would capture some viewers, but that those viewers would simply be diverted from the audience currently watching, say, USA Network. The challenge in the marketplace is to develop a new niche will open new markets for the sale of local advertising or attract new subscribers to the system. For example, a channel such as HGTV, (home and garden programming) has the potential for attracting advertisers to video who currently spend the vast majority of their advertising dollars on print and radio. Similarly, a channel such as Encore (family-oriented movies) may reclaim audiences who have disconnected or downgraded their cable service because of objections to the content of other channels. And a channel such as

Ovation (fine arts programming) might attract a class of customers who have generally chosen not to subscribe to cable at all.

25. **Marketing support.** As noted above, new cable channels frequently waive license fees for an initial period to encourage carriage while viewership is increased. As a result, such channels are almost exclusively advertiser supported. The programmer's ability to raise advertising dollars depends on viewership. What the programmer wants, therefore, is to be included on an already-penetrated package of services. This will lead to the maximum audience exposure and, ultimately, advertising revenues.

26. Viewership is also affected by where in the channel line-up a new program is placed. Just as some locations within a mall are more valuable than others, depending upon how many customers will walk past on the way to or from e.g., the mall's anchor tenants, different locations in a cable system's channel line-up are more valuable than others depending on how near they are to popular and established channels. Indeed, channel line-ups are crafted to create "neighborhoods" of programming, and programmers may enter into contracts to be included within particular "neighborhoods."

27. A cable system's penetration, particularly its CPST penetration, is a function of very long term investments by cable operators to build up subscribership to the system as a whole and to the pre-existing line-up of program offerings in the various "neighborhoods" on the system. Programmers with new channels to sell do not expect a free ride on this valuable asset. As a result, they typically pay "marketing support" in order to share some of the past and ongoing

marketing costs that cable operators have incurred, and will continue to incur, to build and maintain a large subscriber base.

28. **Staying Power.** All of the factors above involve an assessment by Continental of how well a new channel will do in the market over the long haul. Just as a cable system itself is a long-term investment, with system coverage, penetration and subscriber loyalty developed over many years, so too is a cable network. A new channel will only prove its value over the long term. This means that Continental must try to avoid launching channels that may not be backed by adequate commitments on the part of the programmers to long-term quality. If the programmer is not committed to providing solid programming for the several years that it typically takes for a channel to build a loyal audience, then Continental could easily do itself more harm than good by launching it, even if the programmer has sufficient financing to produce quality programming for six months or a year.

29. The FCC should note should note that equity participation by Continental is not a primary criterion for channel selection. As noted above, in Continental's case, the vast majority of programming on all of our systems is produced by unaffiliated entities.

Retention and Renewal of Programming.

30. The decision to retain and renew a service involves many of the same criteria as apply to new channel launches, but the dynamics change considerably for services that have attracted even a modest audience. As a matter of business reality, Continental always loses subscribers

whenever any channel is dropped; even if it is the third duplicated broadcast network, for example, some core constituents will be avid fans of the M*A*S*H reruns that particular station carries at 4:00 p.m. Moreover, in many cases a cable network that might be dropped if considered totally on its own may very well be affiliated with one or more networks that would remain on a system. In these circumstances, where possible, programmers cross promote channels which have been dropped (or are candidates for dropping) on those still remaining, and create protests in the community through advertising and other means. For this reason, other operators who had removed MTV or USA Network faced such adverse subscriber reaction that they added the services back.

31. As additional protection against being dropped, new entrants typically seek to negotiate long-term carriage agreements to provide themselves with the running room to build up the audience they need to attract advertisers and a devoted following. Once that audience is established, Continental will have its own inherent motivation to avoid dropping the channel in order to keep its customers happy.

The Impact of Deploying Leased Access Programming.

32. It is absolutely clear that the selection of which programming to include in a channel line-up, as well as the arrangement of channels within that line-up, critically affects customers' level of satisfaction with Continental's service, and, therefore, Continental's success in the market. But selecting programming and designing channel line-ups both involve more art than science. Too many factors affect the success or failure of a cable channel to allow anyone to say for sure that

a particular new channel will be successful. And no one can say whether it will be a lasting hit, because other, competing programmers will respond to any marketplace successes with competing programs of their own. In addition, it is probably impossible to separate the impact on a cable system of particular programming decisions from other important factors, such as price, advertising and promotional efforts, and changing consumer tastes. Yet there can be no doubt that Continental's success in the marketplace depends on its ability to make its programming decisions to attract and retain the maximum number of subscribers. After all, programming is what Continental sells, and the quality of what it sells matters.

33. This would be true even in a hypothetical world in which Continental faced no competition. In such a world, potential subscribers would not buy cable at all, but would instead rely on over-the-air broadcasts and tape rentals for their video programming needs, if cable did not offer quality programming to justify its added cost. Also, if cable programming per se were of poor quality from the customer's point of view, an increasing number of customers would subscribe to the Basic Broadcast Tier only, simply to obtain clearer reception in areas where that might be a problem.

34. But any such non-competitive world is long gone for Continental. All of Continental's systems are within the footprint of one or more DBS services, and all of its urban systems face competition from SMATVs. Some of its major systems (e.g., Los Angeles) are subject to competitive attack by MMDS operations, often funded by multi-billion dollar entities (e.g., Southwestern Bell/Pacific Telesis). Other systems are being threatened by well-financed overbuilders (e.g., Plymouth Township, Michigan, where Ameritech has an overbuild in

progress). In the real competitive world, therefore, Continental's decisions regarding which programs to include on its cable systems have acquired ever-increasing importance.

35. It would be a marketing disaster with subscribers to so subsidize leased access rates as to consume 15% of its channel capacity with commercial leased access programming that would not be marketed but for this artificial subsidy. Just when customers are being confronted with a choice of multichannel video providers, Continental would be forced to delay the launch of new programming for which consumers have been clamoring, or drop channels that already have loyal viewers, in order to accommodate leased access programming, much of which is likely to be additional infomercials and home shopping. It is hard to imagine a more damaging way to undermine Continental's competitive position in the marketplace or to encourage customers to rely on MMDS, DBS, or other alternatives.

36. The impact of strengthened competition is particularly critical in the context of potential system rebuilds. DBS operations specifically have imposed a dramatic, new competitive dimension on the basic programming calculus described above. At the grassroots, DBS is aggressively marketing to subscribers who are eager to see new channels which are available on satellite but not yet on cable. Even though Continental is among the best of the MSOs in timely system upgrades, capacity for new channels is frequently a year or two away. Continental's loyal customers have been waiting for the completion of rebuilds to see the new channels that Continental has been promising them. If that new channel capacity were to be consumed with commercial leased access channels — which all expect to be home shopping and infomercials — the result would be highly problematic. Customers would regard the offering of leased access

infomercials as a critical broken promise. Continental would expect to see major customer defections to DBS in that event.

37. To obtain a sense of how substantial deployment of leased access would actually affect Continental's system, I requested Continental corporate personnel to interview a broad selection of its operating personnel, including some general managers and comptrollers. These are the personnel to whom all local programming demands and concerns are directed, and who live with the day in and day out results of marketing. They were each provided the hypothetical opportunity to choose any services on the system which would be displaced by leased access channels, so that they would have every opportunity to mitigate any potential marketplace harm. All of these managers predicted a massive subscriber revolt at the loss of channels, even supposedly marginal channels, now carried on systems; and each predicted that if new capacity created by rebuilds were devoted to leased access, rather than to the services long promised to subscribers, a large number of customers who had been patient with cable's promises would find this to be the last straw, and would leave Continental to obtain service from its competitors.

38. The effect of broad-based, subsidized leased access deployment on rebuild financing is equally devastating. If the rebuild will be consumed with commercial leased access programmers on short-term contracts at subsidized rates, the financial premise of the rebuild is lost. The system would be unable to market to new classes of advertisers and new classes of subscribers. It would be unable to enhance value with new product in order to retain current subscribers. It would be unable to design program packages to attract those who object to the content on current

channels. Customer losses might be disguised as a slower rate of growth, but the loss would be real.

39. It is also significant that leased access programming would supplant either potential new programming or the most recent program additions. Moreover, because some existing programmers are entitled by contract to be carried to a certain number of subscribers, dropping those services a system would constitute a breach of contract.

40. Even though the leased access obligation has been "on the books" since 1984, any number of sound business reasons have prevented channel launches from being made on a preemptible basis. As noted above, programmers strongly resist preemptibility in negotiating carriage contracts. In addition, it is commonplace for renewal franchises to be conditioned on the launch of new channels. Franchising authorities have been motivated by the same factors that probably led the Commission itself to include a requirement to launch new channels in the "Social Contracts" the Commission has approved for Continental and others. New channels frequently seek to negotiate some contract protection so that they may confidently endure their period of start up losses with the reasonable expectation that they will reap the rewards in the out years. Indeed, programmers would presumeably be reluctant to invest in marketing support and free carriage if the penetration earned would simply be turned over to a commercial leased access programmer at a moment's notice. And, if Continental were to drop a retransmission channel, it would risk not merely breach of contract but would risk losing the ability to carry the programming of major networks.

41. In light of these factors, I have had my staff prepare an analysis of Continental's carriage contracts. That analysis shows that the average carriage contract has a term of slightly more than six (6) years. These contracts have been entered into at various points in time. The "average" contract, however, will expire about four (4) years from now.

42. As a result of all of these considerations, if leased access demand were to expand dramatically, Continental would have no realistic choice other than to devote any new system capacity that becomes available to leased access, simply to minimize the need to drop existing channels. Where new capacity is not available, the only sensible choice would be to displace the most recently launched, least penetrated channels. This would tend to mitigate (although not, by any means, eliminate) the harm to Continental in the marketplace. Ironically, though, it is these newer and less established channels that contain some of the most interesting and truly "diverse" programming available today, and it is these channels that would most likely be replaced by video "noise" in the form of leased access infomercials and shopping services.

43. I discussed above the fact that channel line-ups are carefully crafted to create meaningful video "neighborhoods," even within a single tier. An operator cannot simply place a commercial leased access programmer on any channel which happens to be designated to be dropped. When adding new channels, one cannot simply pluck out a service and place an entirely new channel in its place. Until a system becomes 100% addressable, it is constrained by the technical limits of traps and filters to current configurations, unless every home is retrapped.

44. In addition, the development of a loyal audience for a particular network can occur suddenly as advertising or word-of-mouth creates a broad customer awareness of high-quality programming. As a result, the channel that a system manager might consider the best candidate for removal in January may be a highly popular channel by May. In addition, the service which a cable operator might preempt may well vary depending on the length of the leased access program, the time of day requested, or even its content. While a local children's show might be a tolerable interruption of Nickelodeon, a locally produced "Midnight Blue" segment would not be. In addition, it would be needlessly destructive of new programmers' efforts to establish themselves among audiences and advertisers if they were labelled, in advance of any demand for access time, to be the channel slated for preemption. For these reasons, when confronted with a requirement to drop a channel to meet a leased access demand, the cable operator will need to make a judgment about placement based on the most current available information about subscriber preferences, the nature of the leased access programming itself, and the costs of resolving any applicable technical problems in non-addressable systems. The idea in each case will be to try to minimize the marketplace damage that dropping a channel will cause, and the factors that go into that judgment will change over time. I would, therefore, urge the Commission to permit the cable operator to select which channel will be dropped to meet a leased access demand at the time the need to drop the channel actually arises.

45. With regard to part-time leased access, the Commission should be aware that in contract negotiations, programmers resist any form of part-time carriage or preemptibility of their programming by other programming. The reason is that programmers have found it impossible to sell national advertising — one of the keys to their financial success — on part-time channels.

This creates a situation in which a channel that has already for some reason been committed to part-time use by one programmer is basically unavailable to Continental for the launch of a new cable network.

05/14/96 16:46 617 742 '033

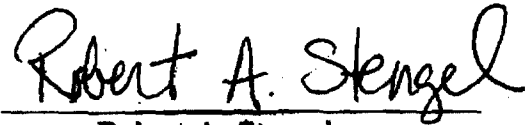
CONTIN'L. CABLE

002/002

MAY 14 '96 10:51 TO-#1203*01#16177420530 FROM-

T-421 P.53/67 F-772

Subscribed and sworn to under penalty of perjury.



Robert A. Stengel

May 14, 1996

ATTACHMENT 2:

**SURVEY OF BROWARD COUNTY
SUBSCRIBERS**



The Research Network

Survey Research Methodology, Public Opinion Polling, Data Analysis



The Research Network

Public Opinion Polling and Data Analysis

1113 East Tennessee St., Suite 302
Tallahassee, FL 32308
(904) 681-9955
Fax: (904) 681-9949
Research_Network@NetTally.Com

500 Morris Ave.
Springfield, NJ 07081
(201) 379-9595
Fax: (201) 379-0446

May 14, 1996

Brenda Stevens
Continental Cablevision
The Pilot House/Lewis Wharf
Boston, MA 02110

Dear Ms. Stevens:

Enclosed is the report and tabulation of the random telephone survey we conducted for you in the Pompano area. The survey instruments A and B are attached for your information.

It was a pleasure doing business with Continental Cablevision. If you have any questions or concerns, please call.

Sincerely,

Kevin Meland

SURVEY VERSION A OR B

		Count	Col %
SURVEY VERSION	A	175	57.2%
	B	131	42.8%
Total		306	100.0%

CONTINENTAL CABLEVISION MAY 1996

Q1: HOW APPEALING IS LEASED ACCESS CHANNEL PROGRAMMING

HOW APPEALING IS LEASED ACCESS CHANNEL PROGRAMMING	1 - NOT AT ALL APPEALING	Count	154
		Col %	50.3%
	2	Count	26
		Col %	8.5%
	3	Count	28
		Col %	9.2%
	4	Count	10
		Col %	3.3%
	5	Count	36
		Col %	11.8%
	6	Count	9
		Col %	2.9%
	7	Count	12
		Col %	3.9%
	8	Count	11
		Col %	3.6%
	9	Count	9
		Col %	2.9%
	10 - VERY APPEALING	Count	6
		Col %	2.0%
	DON'T KNOW	Count	5
		Col %	1.6%
Total	Count		306
	Col %		100.0%
Mean			2.9

CONTINENTAL CABLEVISION MAY 1996

**Q2: IN FAVOR OF FCC'S
PROPOSED CHANGES**

		Count	Col %
IN FAVOR OF FCC'S PROPOSED CHANGES	YES	19	6.2%
	NO	259	84.6%
	NOT SURE	28	9.2%
Total		306	100.0%

**CONTINENTAL CABLEVISION
MAY 1996**

**Q3: WOULD REPLACEMENT OF CHANNELS
CAUSE YOU
TO MAKE ANY CHANGES TO YOUR CABLE
SUBSCRIPTION**

		Count	Col %
WOULD REPLACEMENT OF CHANNELS CAUSE ANY CHANGES IN CABLE SUBSCRIPTION	YES	138	45.1%
	NO	168	54.9%
Total		306	100.0%

**CONTINENTAL CABLEVISION
MAY 1996**

**Q3A: CHANGES TO CABLE
SUBSCRIPTION**

		Count	Col %
CHANGES YOU WOULD MAKE	DROP A PREMIUM SERVICE	11	8.0%
	DISCONTINUE CABLE SERVICE	68	49.3%
	SATELLITE DISH	20	14.5%
	WOULDN'T WATCH	1	.7%
	SUBSCRIBE TO ANOTHER CABLE COMPANY	1	.7%
	WOULD HAVE TO RESEARCH FURTHER	1	.7%
	IF YOU HAD ANOTHER OPTION	1	.7%
	GET MORE PREMIUM CHANNELS	1	.7%
	INCLUDE ELIMINATED CHANNELS	1	.7%
	GET PRIMESTAR	1	.7%
	MAYBE DROP SOMETHING	1	.7%

**Q3A: CHANGES TO CABLE
SUBSCRIPTION**

		Count	Col %
CHANGES YOU WOULD MAKE	WANT TO KEEP ALL CHANNELS	1	.7%
	WOULD NOT LIKE TO SEE ANY MORE ADS	1	.7%
	DO SOMETHING TO STOP THIS ACTION	1	.7%
	CONSIDERING A MINI-DISH	1	.7%
	GO TO DIFFERENT CABLE COMPANY	4	2.9%
	GET ANTENNA	1	.7%
	FIND OUT HOW TO GET THOSE CHANNELS BACK	1	.7%
	CHANGE TO BASIC	3	2.2%
	REDUCE CABLE BILL PRICE SOMEDAY	1	.7%
	REDUCED TV WATCHING	1	.7%
	DON'T KNOW	16	11.6%
Total		138	100.0%

**CONTINENTAL CABLEVISION
MAY 1996**

**Q4: STATEMENT THAT BEST DESCRIBES
FEELINGS IF NETWORKS
WERE REPLACED WITH THE LEASED
ACCESS CHANNELS**

		Count	Col %
STATEMENT THAT BEST DESCRIBES FEELINGS IF NETWORKS ARE REPLACED	SATISFACTION WITH CHANNELS OFFERED WOULD BE INCREASED	20	6.5%
	SATISFACTION WITH CHANNELS OFFERED WOULD REMAIN ABOUT THE SAME	95	31.0%
	SATISFACTION WITH CHANNELS OFFERED WOULD BE DECREASED	186	60.8%
	DON'T KNOW	5	1.6%
Total		306	100.0%

**CONTINENTAL CABLEVISION
MAY 1996**

**Q5: HOW MUCH ARE YOU WILLING
TO PAY FOR EACH OF
THE PROPOSED LEASED ACCESS
CHANNELS YOU COULD RECEIVE**

		Count	Col %
HOW MUCH WILLING TO PAY FOR EACH PROPOSED LEASED ACCESS CHANNEL	FORTY CENTS OR MORE	16	5.2%
	TWENTY-ONE TO FORTY CENTS	42	13.7%
	ONE TO TWENTY CENTS	114	37.3%
	NOTHING	134	43.8%
Total		306	100.0%

**CONTINENTAL CABLEVISION
MAY 1996**

**Q5A: HOW LONG HAVE HAD CABLE
SERVICE AT CURRENT ADDRESS (IN
YEARS)**

HOW LONG HAVE HAD CABLE SERVICE AT CURRENT ADDRESS (IN YEARS)	LESS THAN 1 YEAR	Count	29
		Col %	9.5%
	1	Count	45
		Col %	14.7%
	2	Count	37

**Q5A: HOW LONG HAVE HAD CABLE
SERVICE AT CURRENT ADDRESS (IN
YEARS)**

HOW LONG HAVE HAD CABLE SERVICE AT CURRENT ADDRESS (IN YEARS)	2	Col %	12.1%
		Count	31
	3	Col %	10.1%
		Count	16
	4	Col %	5.2%
		Count	23
	5	Col %	7.5%
		Count	11
	6	Col %	3.6%
		Count	15
	7	Col %	4.9%
		Count	16
	8	Col %	5.2%
		Count	5
	9	Col %	1.6%
		Count	19
	10	Col %	6.2%
		Count	2
	11	Col %	.7%
		Count	8
	12	Col %	2.6%
		Count	5
	13	Col %	1.6%
		Count	1
	14	Col %	.3%
		Count	9
	15	Col %	2.9%
		Count	2
	16	Col %	.7%
		Count	3
	17	Col %	1.0%
		Count	4
	18	Col %	1.3%
		Count	1
	19	Col %	.3%
		Count	6
	20	Col %	2.0%
		Count	2
	21	Col %	.7%
		Count	1
	22	Col %	.3%
		Count	2
	23	Col %	.7%
		Count	1
	28	Col %	.3%
		Count	1
	29	Count	1

**Q5A: HOW LONG HAVE HAD CABLE
SERVICE AT CURRENT ADDRESS (IN
YEARS)**

HOW LONG HAVE HAD CABLE SERVICE AT CURRENT ADDRESS (IN YEARS)	29	Col %	.3%
	30	Count	4
		Col %	1.3%
	NO ANSWER/DON'T KNOW	Count	7
		Col %	2.3%
Total	Count		306
	Col %		100.0%
Mean			6.2

**CONTINENTAL CABLEVISION
MAY 1996**

**Q5B: RESPONDENT'S AGE
GROUP**

		Count	Col %
AGE GROUP	18 TO 29	43	14.1%
	30 TO 39	82	26.8%
	40 TO 49	74	24.2%
	50 TO 64	41	13.4%
	65 AND OVER	63	20.6%
	REFUSED	3	1.0%
Total		306	100.0%

**CONTINENTAL CABLEVISION
MAY 1996**

**Q5C: LIVE IN BROWARD COUNTY 12
MONTHS A YEAR
OR ONLY FOR PART OF THE YEAR**

		Count	Col %
LIVE IN BROWARD ALL YEAR OR PART OF YEAR	TWELVE MONTHS	295	96.4%
	PART OF THE YEAR	10	3.3%
	NO ANSWER/DON'T KNOW	1	.3%
Total		306	100.0%

**CONTINENTAL CABLEVISION
MAY 1996**

Q5D: RESPONDENT'S EDUCATION

		Count	Col %
HIGHEST GRADE FINISHED IN SCHOOL	DID NOT FINISH HIGH SCHOOL	15	4.9%
	HIGH SCHOOL GRADUATE OR GED	71	23.2%
	VOCATIONAL SCHOOL	15	4.9%
	TWO-YEAR COLLEGE DEGREE	42	13.7%
	SOME COLLEGE	37	12.1%
	FOUR-YEAR COLLEGE DEGREE	91	29.7%
	GRADUATE SCHOOL	31	10.1%
	OTHER (NOT SPECIFIC)	1	.3%
	REFUSED	3	1.0%
Total		306	100.0%

CONTINENTAL CABLEVISION
MAY 1996

Q5E: RESPONDENT'S ANNUAL HOUSEHOLD INCOME

		Count	Col %
ANNUAL HOUSEHOLD INCOME	\$20,000 OR LESS	23	7.5%
	\$20,001 TO \$40,000	85	27.8%
	\$40,001 TO \$60,000	65	21.2%
	\$60,001 TO \$80,000	40	13.1%
	OVER \$80,000	29	9.5%
	REFUSED	64	20.9%
Total		306	100.0%

CONTINENTAL CABLEVISION
MAY 1996

Q5F: RESPONDENT'S GENDER

		Count	Col %
GENDER	FEMALE	176	57.5%
	MALE	130	42.5%
Total		306	100.0%

CONTINENTAL CABLEVISION
MAY 1996

caller NAME

CODE 77

PHONE: 2-8

CONTINENTAL CABLEVISION SURVEY - 05-03-96

VERSION A ①

A=1 B=2

HELLO MY NAME IS ----- WITH THE RESEARCH NETWORK AND WE ARE CONDUCTING A SURVEY ABOUT YOUR CABLE TELEVISION SERVICE. MAY I SPEAK TO THE MALE / FEMALE HEAD OF HOUSEHOLD [ROTATE SEX ACROSS SURVEYS].

A) Do you currently subscribe to cable television?

1) No -----> THANK AND TERMINATE

2) Yes -----> CONTINUE

B) Are you familiar with the term leased access channels?

1) No -----> CONTINUE

2) Yes -----> READ: As you know, (CONTINUE)

1) Leased access channels are channels that are required to be carried by your cable company. These channels are available to the public so that someone can buy air time on a channel. Unlike the channels which are selected by your cable company based upon expected popularity, these channels are programmed at the sole discretion of the person buying the time. Typically, this programming focuses on various topics such as infomercials, home shopping, and ethnically oriented programs. On a scale of 1 to 10 where TEN means 'very appealing' and ONE means 'not at all appealing' how appealing is this type of programming to you?

NOT AT ALL
APPEALING

VERY
APPEALING

1 2 3 4 5 6 7 8 9 10

2) The Federal Communications Commission, which governs your local cable company, has proposed new rules for the pricing of leased access channels. These rules may cause existing channels that are currently carried to be eliminated from your cable service. This includes networks such as Comedy Central, The Family Channel, Lifetime, the TV Food Network, BET, Headline News, and the Preview Guide Channel. Would you be in favor of these proposed changes?

1) Yes

2) No

3) NOT SURE - VOLUNTEERED ONLY

3) Would this replacement of channels cause you to make any changes in your cable subscription?

- 1) Yes -----> GO TO QUESTION 3A
2) No -----> GO TO QUESTION 4

3A) What changes would you make? [DO NOT READ LIST]

- 1) Drop a premium service
2) Discontinue your cable service

OTHER RESPONSES - FILL IN: _____

4) Which of the following statements would best describe your feelings if the networks mentioned earlier were replaced with the leased access channels we have been discussing --

- 1) My satisfaction with the channels offered would be increased
2) My satisfaction with the channels offered would remain about the same
3) My satisfaction with the channels offered would be decreased

5) If you look at the overall cost for Lifeline, Basic and Satellite service, each of the channels that you receive costs about sixty cents. How much would you be willing to pay for each of the proposed leased access channels you could receive. READ LIST AND THEN GET AN ANSWER --

- 1) Forty cents or more
2) Twenty-one to Forty Cents
or
3) One to Twenty Cents

6) NOTHING -----> VOLUNTEERED ONLY

A) How long have you had cable service at your current address?

19-20

0 = Less than 1 year

B) In what age group are you..[READ LIST]?

- 24
- 18-29.....1
 - 30-39.....2
 - 40-49.....3
 - 50-64.....4
 - 65 and over....5
 - Refused.....6

C) Do you live in Broward County twelve months a year or only for part of the year? ASSUMING THIS IS POMPANO BEACH

- 28
- 1) twelve months
 - 2) part of the year

D) Which of the following best describes the highest grade or year you finished in school? -- READ LIST then GET AN ANSWER

- 28-24
- 1) Did not finish high school
 - 2) High school graduate or GED
 - 3) Vocational school
 - 4) Two-year college degree
 - 5) Some college
 - 6) Four-year college degree
 - 7) Graduate school
 - 8) Other FILL IN: _____

E) I would like to go over some income categories and when I get to the one that best describes your annual household income please tell me to stop -- READ LIST

- 26
- 1) \$20,000 or less
 - 2) \$20,001 to \$40,000
 - 3) \$40,001 to \$60,000
 - 4) \$60,001 to \$80,000
- or
- 5) Over \$80,000

Thank you very much for your time and cooperation.

26

SEX Female.....1
 Male.....2